

# Exhibit B

# Combined MDL Statements

March 14, 2024

Via Electronic Mail to:

**The Honorable Judge Lewis A. Kaplan  
Daniel Patrick Moynihan  
United States Courthouse  
500 Pearl St.  
New York, NY 10007-1312**

**Re: *United States of America v. Samuel Bankman-Fried*, No. 22-cr-673 (LAK)  
FTX MDL Leadership Notice of Filing FTX Victim Impact Statements and  
Request to Appear and Present at Sentencing Hearing**

Dear Judge Kaplan:

We represent Plaintiffs on behalf of themselves and as representatives of all FTX Victims as Co-Lead Counsel in *In re: FTX Cryptocurrency Exchange Collapse Litigation*, MDL No. 3076, pending before the Honorable Judge K. Michael Moore in the Southern District of Florida (the “FTX MDL”), respectfully file the attached FTX Victim Impact Statements, *see Composite Exhibit A*, for consideration by the Honorable Judge Lewis Kaplan at the upcoming Sentencing Hearing for Defendant Samuel Bankman-Fried (“SBF”) set for March 28, 2024 (the “Sentencing Hearing”).<sup>1</sup> One of the important victim’s rights—and a signature feature of criminal justice in the United States—is the right for a victim to be heard at the sentencing of the perpetrator. 18 U.S.C. § 3771(a)(4). MDL Leadership have had the honor of spending the past year working closely with almost a million injured FTX class members worldwide—all victims who fell prey to the \$8 billion FTX fraud—to unite their voices as victims’ advocates before Your Honor at the Sentencing Hearing.<sup>2</sup>

MDL Leadership have also completed extensive proffer sessions with Defendants Gary Wang, Nishad Singh, and Caroline Ellison, all of whom are also Named Defendants in the FTX MDL, and all of whom provided extensive assistance and helpful information to the injured FTX

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<sup>1</sup> The size of Plaintiffs’ submission is not without precedent. Over 113 Victim Impact Statements were filed in the recent *Madoff* Sentencing Hearing.

<sup>2</sup> This Court authorized the U.S. government to launch its own website seeking FTX victim Impact Statements, finding that contacting millions of victims would be “impracticable.” MDL Leadership has greatly appreciated the cooperation and assistance of the U.S. Attorney’s Office in this MDL, including specifically by Mr. Nathan Rehn, Esq.

MDL class members.<sup>3</sup> In the course of those proffer sessions (that were carefully coordinated with the U.S. Attorney's Office for the Southern District of New York), the U.S. Attorney's Office requested we notify FTX MDL class members of their right to submit FTX Victim Impact Statements.<sup>4</sup> Attached as Comp. Ex. A is just a sampling of some of those MDL Victim Impact Statements for Your Honor to consider.<sup>5</sup> Finally, many FTX class members wish to express their thoughts regarding the recently filed "Samuel Bankman-Fried's Sentencing Memorandum," [ECF No. 407], by Defendant Bankman-Fried's new counsel in this matter, namely to explain why: (1) the FTX fraud was not a "victimless" crime, and (2) we must finally dispel the oft-touted fairy-tale that all FTX injured class members "will be made whole", under the current proposed bankruptcy plan. As described in the attached Victim Impact Statements, nothing could be further from the truth.

#### **A. BRIEF HISTORY OF THE FTX MDL AND THE SBF TRIAL**

The Judicial Panel on Multi-District Litigation consolidated and transferred all FTX litigation to the Honorable K. Michael Moore in the Southern District of Florida, in part because FTX was based in South Florida and many of the activities occurred from within the District. MDL Leadership is prosecuting numerous claims against over 72 defendants. *See Exhibit B.* The MDL Plaintiffs have already settled claims with eleven (11) FTX Defendants and, just last week, sought to stay all claims against that first tranche of settling defendants while approval of those settlements proceeds. *See Exhibit C.* Included among those settled FTX Defendants are Defendants Gary Wang, Nishad Singh, and Caroline Ellison, who agreed to cooperate with MDL Plaintiffs by aiding the prosecution of their other MDL claims. Defendants Wang, Singh, and Ellison have been tremendously helpful to the MDL Plaintiffs, and the proffer sessions have been extremely productive thus far, in that they provided MDL Leadership with important facts and evidence, some of which have already been utilized to file additional claims seeking relief for the FTX victims in the FTX MDL. In settling with Defendants Wang, Singh and Ellison, MDL Leadership carefully coordinated with their counsel, and the U.S. Attorney's Office, to ensure that any and all

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<sup>3</sup> Mr. Dan Friedberg, former Chief Compliance Officer of FTX, is a named Defendant in our civil FTX MDL. Mr. Friedberg was the first FTX Insider to agree to cooperate and reach a proposed settlement for those FTX MDL civil claims. While Mr. Friedberg is not subject to any criminal proceedings, MDL Leadership notes that his assistance to the FTX Victims has already been very helpful, and we appreciate his cooperation and that of FTX Defendants Wang, Singh and Ellison.

<sup>4</sup> As victims' advocates, MDL Leadership respectfully request to make a brief in-person presentation at the Sentencing Hearing with statements from a few of our FTX clients, so Your Honor can hear their voices and inflections and put faces to the victims. MDL Leadership is already coordinating this presentation with the U.S. Attorney's Office.

<sup>5</sup> The U.S. Attorney's Office informed us there is no requirement that a victim impact statement be filed with the court, but all of our victims wish to have their statements filed, and be made public in response to Defendant Bankman-Fried's Sentencing Memorandum, so that it remains with the Defendant Bankman-Fried's file for any future court hearings in this case.

information, cooperation and relief would be acceptable to the U.S. Attorney's Office in strict adherence to any guidelines and ruling by this Court. For example, MDL Plaintiffs agreed that any restitution from and/or recovery of funds forfeited by Defendants Wang, Singh, or Ellison, and to which MDL class members are entitled, will be distributed in accordance with a plan established by this Court pursuant to 18 U.S.C. § 3663A, 18 U.S.C. §§ 981, 3354, 28 U.S.C. § 2461(c), or other applicable statute.

MDL Leadership also personally attended, and carefully followed the criminal trial in the above-captioned matter. On behalf of the MDL Plaintiffs and all of our class members, MDL Leadership expresses its gratitude to this Court for conducting the criminal trial in an expeditious and judicious manner that has already brought, and will continue to bring, justice to FTX victims.

#### **B. THE FTX VICTIMS WE REPRESENT IN THE FTX MDL**

MDL Leadership has already spent thousands of hours making sure that FTX MDL class members are routinely updated and informed on all FTX events. Probably no FTX victim has done more than Mr. Sunil Kavuri (who resides in England) in helping other FTX victims, by serving on numerous FTX creditor committees in the bankruptcy proceeding, providing sworn testimony, and organizing weekly meetings with other victims. Mr. Kavuri's Victim Impact Statement provides specific details and analysis as to the fallacy that the FTX fraud is a "victimless crime." *See Comp. Ex. A, at 9.*

The impact of Defendant Bankman-Fried's \$8 billion crimes spans the globe and ensnared victims of all kinds. Our FTX MDL class members reside in the United States, Europe and across the globe, and their economic injuries greatly range in size, to the different types of damages. For example, as a result of the FTX fraud Mr. Ed Garrison (Comp. Ex. A, at 2) is a proud grandfather who had lost all savings that he and his wife had put away to buy Christmas presents for their granddaughter, while Mr. Joshua Lehman from Brisbane, Australia, has already lost his company into which he devoted years of blood, sweat, and tears to bankruptcy. *See Comp. Ex. A, at 20.*

#### **C. SBF'S RECENTLY FILED SENTENCING MEMORANDUM [ECF No. 407]**

Hundreds of FTX MDL class members expressed great concern to us upon reviewing Defendant Bankman-Fried's Sentencing Memorandum. The FTX MDL class members take great offense to Defendant Bankman-Fried's assertion that his \$8 billion fraud is a "victimless" crime, and the truly absurd representation that the collapse of the FTX platform "leads to a loss calculation of zero." *See ECF No. 407, at 20.* Regardless of whether SBF's new counsel is correct, that such statements were "as stated by debtor's counsel in bankruptcy court last month," *id. at 20,* FTX MDL class members are very much "victims" and will certainly not be made whole under the current bankruptcy plan for damages they have already incurred due to the FTX fraud and will continue to greatly suffer. This is true regardless of SBF's assertion that he was not in a position of "public trust." Indeed, as the attached Victim Impact Statements demonstrate, and as the

Plaintiffs allege in the FTX MDL, these FTX victims deposited their hard-earned assets into accounts on the FTX platform, *in large part*, due to Defendant Bankman-Fried's forward-facing representations that safety, security, and liquidity were of great importance at FTX. FTX victims believed these statements and acted in accordance therewith.

FTX MDL Plaintiffs believe and respectfully submit that they, through their efforts in pursuing all of the numerous claims in the FTX MDL against over 72 currently-named Defendants, (*see Ex. B*), together with this Court's productive criminal trial, and distribution of restitution and/or forfeited assets, can actually forge a realistic path to significant, if not full, recovery for all FTX victims.

MDL Leadership respectfully request the Court review the attached FTX Victim Impact Statements and allow MDL Plaintiffs a brief opportunity (no more than 15 minutes) to present a few of those victims live at the March 28<sup>th</sup> sentencing of Defendant Samuel Bankman-Fried.

Respectfully submitted,

**By: /s/ Adam Moskowitz**

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Joseph M. Kaye  
Florida Bar No. 117520  
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*Co-Lead MDL Counsel*

**By: /s/ David Boies**

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*Co-Lead MDL Counsel*

# Composite Exhibit A

**March 8, 2024**

**The Honorable Judge Lewis A. Kaplan**

**Daniel Patrick Moynihan  
United States Courthouse  
500 Pearl St.  
New York, NY 10007-1312**

**Victim Statement re: FTX Disaster/Bankman-Fried**

Dear Judge Kaplan:

Thank you for the opportunity to hear our personal stories of how FTX has impacted our lives. We hope this will help you understand the devastating loss we have all suffered.

I am a Florida resident and like so many others, was duped into investing with FTX. The FTX.US platform was introduced and promoted as the premier US-based platform, known for its safety and rapid growth under the leadership of its brilliant owner. I had full confidence that the cryptocurrencies I purchased through the platform were secure; otherwise, I would have never put in all my and my family's life savings. I saw so many celebrities promoting it on their social media, like Tom Brady, David Ortiz, Stephen Curry, and endless others. I read about and heard about FTX on so many different media channels that I believed this would be a great investment for me and my family. I utilized my FTX crypto account as I would a traditional US bank account.

As I and so many other investors discovered, despite all the promotions and all the hype, FTX was not what it claimed to be. Sam Bankman-Fried and all his conspirators lied to all of us. I lost my hard-earned money as a result of the FTX fraud. My family and I lost a significant portion of our family savings, which we had planned to use for our children's education and purchasing our first home in the United States. We are in a worse position than we ever thought we would be. The current inflation of the country has made things even more difficult.

We have so much faith in our attorneys at the Moskowitz Law Firm and know that they are working very hard to help us recoup some of the money that was stolen from us. I hope this letter helps shed light on how everyday individuals were so deeply affected by the FTX scheme.

Thank you for hearing all our stories.

Sincerely,

Alexander Chernyavsky

**March 8, 2024**

**The Honorable Judge Lewis A. Kaplan**

**Daniel Patrick Moynihan  
United States Courthouse  
500 Pearl St.  
New York, NY 10007-1312**

**FTX Collapse — Victim Impact Statement**

Dear Judge Kaplan:

I live in Oklahoma, and I lost money from the FTX fraud. My lawyers told me I could send you this letter telling you why I believe that the FTX disaster was not a “victimless crime,” as I heard from Sam Bankman-Fried. That statement really upset me. I may not have lost millions of dollars from his fraud, but the money he stole from us was very important to my family. We saved every penny all year so we could buy our granddaughter Christmas gifts in December. That money was stolen. Before that, we were told over and over again that our money was “safe,” even safer than a bank.

I have been working with my lawyers at The Moskowitz Law Firm since 2022. We talk almost every month, at this point over a hundred times by Zoom, email, and phone. I am really glad they are working to help us. As you can imagine, his fraud wiped out our savings, so we are very upset. I have also been very glad to help our lawyers by preparing and attending mediations with some of the FTX defendants. While these have taken a great deal of time, they keep us very updated and involved. I was told that what occurred during those meetings is confidential, but I can say that some lasted all day, and I am very proud how our lawyers fought for us. It was good to hear some of these other FTX defendants say they were sorry for what they have done.

Thank you for reading my letter, and I plan to continue our fight.

Edwin Garrison

DocuSigned by:  
  
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3/13/2024



**From the Desk of**

**Gregg Podalsky**

Weston, Florida, 33331

**March 13, 2024**

**The Honorable Judge Lewis A. Kaplan  
Daniel Patrick Moynihan United States Courthouse  
500 Pearl St.  
New York, NY 10007-1312**

**Subject: FTX Collapse — Victim Impact Statement**

Dear Judge Kaplan,

My name is Gregg Podalsky, and I reside in South Florida. Unfortunately, I am compelled to write to you today as one of the many victims who suffered considerable financial losses due to the FTX fraud. On the advice of my legal counsel, it is imperative to communicate to you why the FTX financial collapse is by no means a "victimless crime," contrary to what Sam Bankman-Fried has stated.

I run and operate a business, and as a diligent private business owner, I endeavor to either spend every dollar wisely or reinvest it. At Bitcoin's current value, my losses are approaching \$400,000.

Prominent figures and entities, including Sam Bankman-Fried, trusted media outlets like CNBC, brand ambassadors, and even business valuation experts/auditors, reassured investors that our funds were secure and that FTX boasted a market value of around 20 billion dollars. Such assurances gave a markedly false sense of security regarding my investment in Bitcoin on the FTX platform, suggesting it was very safe, in some instances, purportedly safer than many banks.

For almost a year and a half, I have been collaborating with my attorneys at The Moskowitz Law Firm. We maintain nearly monthly communication, be it through emails, Zoom meetings, or live phone calls. I am encouraged by the firm's efforts to present my damages

[Redacted]

through the case that has been filed and am hopeful for a successful outcome in recouping the losses I have incurred.

The deceit at FTX obliterated a significant portion of my savings, and needless to say, this has caused me profound distress. I am, without a doubt, a direct victim of the nefarious activities orchestrated by Sam Bankman, other executives of the company, and those who disseminated misleading information about the firm's stability and solvency.

I appreciate your attention to this matter and am available for any further information or to participate in proceedings as deemed necessary.

Sincerely,

*Gregg Podalsky*

JULIE PAPADAKIS

March 8, 2024

The Honorable Lewis A. Kaplan  
United States District Judge  
Daniel Patrick Moynihan United States Courthouse  
500 Pearl Street  
New York, NY 10007-1312

**Re: Sam Bankman-Fried and FTX**

Dear Judge Kaplan:

I am an older single mother of two children who lost a substantial portion of my life savings as a result of the FTX collapse. I am now living in Virginia, where I relocated from Puerto Rico so that my son (who has challenged Asperger's) could receive better medical care. In addition to the financial losses I have sustained, I have been emotionally and mentally devastated, as well as anxious and depressed. My life changed because of the FTX collapse and the havoc this proven fraud wreaked on me.

I did not attempt to withdraw my money or cryptocurrency assets from FTX when I had the opportunity to do so, because I believed Bankman-Fried's tweets to the effect that nothing was wrong, and everyone could still withdraw their cryptocurrency. On November 7, 2022, the FTX US exchange had a red bold-faced message, "Withdrawals are and will remain open." This obviously was false. When I did attempt to withdraw my assets later that day, I received a litany of excuses extending over several days from FTX about why they would not permit me to do so (including, ironically, that my attempted withdrawal might be fraudulent). Within days, the FTX US exchange disappeared, leaving me feeling shattered and my hard-earned life savings gone.

With the help of my attorneys, I am vigorously pursuing claims against various alleged wrongdoers connected to FTX in a class action pending in the Southern District of Florida before the Honorable K. Michael Moore. With respect to the criminal case, I respectfully request that Your Honor impose just sentences that take into account my circumstances as well as the circumstances of the many other victims of Sam Bankman-Fried and the other convicted defendants.

Respectfully,

/s/ Julie Papadakis  
Julie Papadakis

March 8, 2024

**The Honorable Judge Lewis A. Kaplan**

**Daniel Patrick Moynihan**  
**United States Courthouse**  
**500 Pearl St.**  
**New York, NY 10007-1312**

**FTX Collapse — Victim Impact Statement**

Dear Judge Kaplan:

I live in North Vancouver, Canada and suffered significant losses as a result of Sam Bankman-Fried's ("SBF") crimes. As a result of the FTX collapse, I lost the 11.67976 BTC held in my FTX wallet that I had been accumulating since 2013. At the time FTX first filed bankruptcy, those coins were worth approximately \$200,000, but based on the price of Bitcoin today the value is almost four times that. This has created a significant hardship for myself and my family and has hampered my lifelong planning goals, forcing us to reconsider our mortgage repayment and retirement plans. Most importantly, I have two young children, aged one and three, and this has had a dramatic impact on our plans for their future education. I always focused on accumulating Bitcoin, adhering to a long-term belief in its value rather than engaging in trading. I believed, because of SBF, that putting my money in FTX was a safe investment. I never once thought that I had the potential to lose such significant sums because of my trust in him. Psychologically, this ordeal led to periods of depression and ongoing anxiety that affects my daily life.

I wish I never trusted SBF and his FTX scheme with my money. I am thankful that the Moskowitz Law Firm has worked to recoup the funds that were stolen from me. This is a lifechanging loss for myself and my family and I struggle to think about a world where I may not be paid back. I appreciate your efforts and desire to read statements like mine. I hope you know that I am not alone and that there are thousands, if not millions, of people whose lives were negatively impacted because of the actions of SBF.

Thank you,

Kyle Ruppert

3/8/2024

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**March 8, 2024**

**The Honorable Judge Lewis A. Kaplan**

**Daniel Patrick Moynihan**  
**United States Courthouse**  
**500 Pearl St.**  
**New York, NY 10007-1312**

**Victim Statement re: FTX Disaster/Bankman-Fried**

Dear Judge Kaplan:

Thank you so much for giving me the opportunity to share my story. This experience has been devastating to me and my family. I signed up with FTX believing it was safe. While at first skeptical, I began to trust that it would be a good investment after hearing what the celebrities, like Kevin O'Leary, Shaq, and so many others, said during their promotions and seeing FTX being endorsed everywhere. My family and I would watch games and see the FTX signs posted all the time. I was so confident in FTX given all the brand recognition. Sam Bankman-Fried really teamed up with these promoters and convinced us all to invest with FTX, to our detriment.

Unfortunately, I made the decision to invest over half a million within a period of just a few weeks. I put in everything I had—even taking out various loans—because I listened to all the propaganda. I live in California and with the rising living costs and inflation, this loss has had a detrimental impact on me. After the collapse, I was left with nothing but astronomical debt. We had to sell our house and my car, and I had to take on a second job just to make ends meet after downsizing our entire life. I went into a depression that has lasted years and I still can't shake it and it has affected every aspect of my life. I ended up separating from my wife because of all the financial issues that arose because of this, and my life has never been the same since. I never imagined to be in the situation that I am currently in.

I started to have some hope of possibly obtaining some relief since I retained my attorneys at the Moskowitz Law Firm. I know they have been working hard for me and all of us who were cheated by Sam Bankman-Fried and all the others in the FTX fraud.

We are all hopeful that we will be able to recoup some of the funds we all lost in the scheme.

Sincerely,

Leandro Cabo

DocuSigned by:

Leandro Cabo

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3/9/2024

**March 8, 2024**

**The Honorable Judge Lewis A. Kaplan**

**Daniel Patrick Moynihan  
United States Courthouse  
500 Pearl St.  
New York, NY 10007-1312**

**FTX Disaster**

Dear Judge Kaplan:

I am writing to you from Long Branch, New Jersey, as a victim of the FTX fraud, where I work as a grocery store manager. This disaster has greatly affected my family and me, far beyond just the financial loss. I had this money earmarked for my retirement, underscoring a future that now feels uncertain.

Sam Bankman-Fried's assurances of safety and stability within FTX played a pivotal role in my decision to invest. The money I invested into FTX was significant that it was simply not something I can afford to lose. As someone who manages a grocery store, every dollar saved towards retirement represented hard work and sacrifice.

I truly appreciate your consideration of the impact that this scheme has had on individuals like me. I, along with many others, placed our trust, and our futures, in the hands of individuals who exploited that trust for personal gain.

As a named plaintiff working with the Moskowitz Law Firm, I've witnessed their commitment and diligence in navigating this complex scheme to hopefully reclaim the funds I lost. I truly appreciate their efforts.

Thank you for taking the time to consider my story and the stories of others affected by this scheme.

Sincerely,

Michael Norris

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3/8/2024

**The Honorable Judge Lewis A. Kaplan**

**Daniel Patrick Moynihan  
United States Courthouse  
500 Pearl St.  
New York, NY 10007-1312**

March 12 2024

Dear Judge Kaplan

In anticipation of Sam Bankman-Fried's sentencing, I wanted to provide my Victim Statement. I have included my personal background for context. I used FTX.com and as a result have suffered greatly from Sam's fraud and the FTX bankruptcy.

**Background**

I am not a novice investor, having worked at leading financial institutions such as JP Morgan, Morgan Stanley and have been investing for over 20 years. I consider myself a particularly prudent long-term investor and certainly not a "speculator" or "gambler". I have studied and invested in equities, commodities – such as Gold and Silver and various derivative products.

After leaving JP Morgan, 12 years ago, I was attracted to Bitcoin in 2015, due to it fulfilling all the features of Gold as a store of value against inflation, but a much superior version – fixed in supply, durable, portable, perfectly divisible. After becoming comfortable with the ability to safely store Bitcoin (offline), and due to the prevalent macroeconomic conditions, such as rising Inflation, I invested quite a bit into Bitcoin in 2016. My investment thesis has always been the same, as a hedge against rising inflation, investing for the long-term and have predominantly stayed away short-term speculation on meme coins, altcoins etc.

**2016 to 2021**

I did not have confidence in crypto currency exchanges from Bittrex to Binance as the industry was rife with numerous frauds, hacks and scams. Being a long-term investor, I sporadically utilized exchanges for the minimum amount of time possible, to buy and sell and then move my cryptocurrency offline. No exchange was transparent about their ownership structure, investors, board of directors, audits, lawyers and as a result I didn't trust them.

**FTX**

I started using FTX.com September 2021 and significantly in December 2021 after being attracted to the platform as it was promoted as the safest way to invest in crypto currency. It was backed by among the largest venture capitalists in the world such as Sequoia (\$85bn AUM), sovereign wealth fund Temasek (\$400bn assets); law firm such as Sullivan and Cromwell to accountants that provided assurances of its regulatory compliance, and specifically customer accounts are segregated and FTX does not use customer deposits.

Being a financial advisor who was regulated by the FSA in the UK for many years, I understood the significance of making such statements as lawyers and accountants, financial

promoter/advisors – professionals who are bound by the code of ethics and regulated by governing bodies. Regulated professionals or those carrying out regulated activities should be held liable for misinformation and disinformation which results in financial loss for others.

I respected and was reassured by, the endorsement provided by venture capital funds such as Sequoia as their presence on a board of directors or would enable them to closely monitor every facet of the company's performance and operations. Bailhe of Sequoia explains that they take an active role in the operations of companies that it invests in, like FTX.

**"There is a big active conversation throughout...We're not just passive money. We want to be really business partners"**

Sam Bankman-Fried also regularly met with regulators in Washington which gave additional assurance that FTX was the most regulatory compliant crypto currency exchange. It was the Blackrock of crypto exchanges.

Sam regularly associated with well known public figures such as politicians (Tony Blair, Bill Clinton) and utilised international celebrity endorsements to create an impression of a credible, trusted and legitimate exchange to buy and sell cryptocurrency.

Sam also hired the leading law firm, Sullivan and Cromwell for his own personal capacity and for FTX, that regularly gave assurances for its compliance and that Sam does not use customer funds. In fact, Mr. Dietderich of Sullivan and Cromwell, stated the following on 7 Nov 2022, 4 days before FTX filed for Bankruptcy on 11 Nov 2022.

**FTX is rock solid, doesn't use customer funds or take credit risk at all. It cannot have "liquidity" issues because it doesn't lend**

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**From:** Dietderich, Andrew G. <[dietdericha@sullcrom.com](mailto:dietdericha@sullcrom.com)>  
**Date:** Monday, Nov 07, 2022, 1:55 PM  
**To:** Azman, Darren <[Dazman@mwe.com](mailto:Dazman@mwe.com)>  
**Subject:** RE: [EXTERNAL] Re: Town Hall

That's just Binance silliness. FTX is rock solid, doesn't use customer funds or take credit risk at all. It cannot have "liquidity" issues because it doesn't lend.

I'll get back to you on town hall. Discussing calendar and sequence for closing with debtor later this week.

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**From:** Azman, Darren <[Dazman@mwe.com](mailto:Dazman@mwe.com)>  
**Date:** Monday, Nov 07, 2022, 1:09 PM  
**To:** Dietderich, Andrew G. <[dietdericha@sullcrom.com](mailto:dietdericha@sullcrom.com)>  
**Subject:** RE: [EXTERNAL] Re: Town Hall

We are getting a lot of inbounds regarding liquidity issues at FTX/Alameda. We also had a lot of leftover questions from the last town hall. I'm thinking we'd like to do another one next week and would like you for your team to be a part of it. We can't be silent on these issues and I don't want to speak for FTX. Let me know your thoughts on timing and who on your side would be best to join and handle FTX-related questions.

DARREN AZMAN  
Partner  
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Biography [\[mwe.com\]](#) [\[nam10.safelinks.protection.outlook.com\]](#) Website [\[mwe.com\]](#) [\[nam10.safelinks.protection.outlook.com\]](#) vCard [\[dynasend.com\]](#) [\[nam10.safelinks.protection.outlook.com\]](#)

Furthermore, The Terms of Service is explicitly clear and unambiguous - the title of digital assets remain with the customer. Digital assets are the property of users and not FTX trading

### 8.2.6.

- (A) Title to your Digital Assets shall at all times remain with you and shall not transfer to FTX Trading. As the owner of Digital Assets in your Account, you shall bear all risk of loss of such Digital Asset.**
- (B) None of the Digital Assets in your Account are the property of, or shall or may be loaned to, FTX Trading; FTX does not represent or treat Digital Assets in User's Accounts as belonging to FTX Trading.**
- (C) You control the Digital Assets held in your Account.**

I was certainly not alone in trusting FTX. FTX became one of the fastest growing companies in history, reaching a \$32 billion valuation, 1 million users, and \$21 billion in average daily trading volume just two years after its founding.<sup>1</sup> I have been told by many FTX victims there were influenced by various celebrity promoters from Tom Brady to Shaquille O'Neal to Kevin O'Leary. Thousands of FTX customers agreed with NBA superstar Steph Curry when he said in a commercial: "I'm not an expert, and I don't need to be. With FTX I have everything I need to buy, sell, and trade crypto safely."<sup>2</sup>

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<sup>1</sup> <https://www.coindesk.com/consensus-magazine/2023/11/07/how-sam-bankman-fried-mastered-the-art-of-crypto-marketing/#:~:text=The%20rise%20of%20Sam%20Bankman%2DFried&text=By%20the%20time%20of%20FTX%27s,world%27s%20top%20three%20crypto%20exchanges>

<sup>2</sup> <https://www.youtube.com/watch?v=gsy2N-XI04o>

Sadly, Sam continues to insult every former FTX customer by insisting that his was a victimless crime and that FTX customers and creditors “are expected to get back all of their money”<sup>3</sup> and that the “harm to customers, lenders, and investors is zero.”<sup>4</sup>

Sam’s victims are my friends that have become like my family. They come from all walks of life, but they all shared a belief that investing in cryptocurrency through FTX provided an opportunity to accomplish their financial goals, be it save for retirement, pay for their children’s college education, or purchase a home. These hopes evaporated on November 11, 2022, and they have not returned.

My class action lawyers have been fighting for all of us every day for the last 16 months in the ongoing multidistrict litigation before U.S. District Judge K. Michael Moore in the Southern District of Florida, to hold accountable all the Sam Bankman-Fried’s fraud aiders and abettors accountable.

### **Customers Will Not be Made Whole**

Not only does Sam claim that customers will recover all their money, but he incredibly argues, without evidence, that “the company was solvent at the time of the bankruptcy petition” and that “[t]he money was there—not lost.”<sup>5</sup> Solvent companies do not file for bankruptcy.

According to Sam, FTX suffered from a classic bank “run”<sup>6</sup> that resulted in a “temporary shortfall in liquid assets to cover the unprecedented level of customer withdrawal requests beginning on November 6, 2022, which reached \$4 billion per day the morning of November 8.”<sup>7</sup> Bank runs can occur with Banks as customer deposits can be leant out. FTX was not a bank, they were an exchange. I purchased cryptocurrency through FTX with the expectation it is a purely custodian for my cryptocurrency. FTX’s terms of service stated that none of the crypto in customer accounts are “the property of, or shall or may be loaned to, FTX Trading,” and that the platform “does not represent or treat Digital Assets in User’s Accounts as belonging to FTX Trading.”<sup>8</sup> When I wanted to sell my cryptocurrency and withdraw it, FTX should have been able to return all to me, but they could not because customer funds had been illegally transferred to Alameda for investments. A liquidity crisis is impossible if the company adhered its terms of service.

FTX bankruptcy estate remains to be the same fraudulent corporate entity with the same law firm and advisors to Sam Bankman-Fried that facilitated the money laundering of customer deposits to acquire investments such as Anthropic, Robinhood, Genesis Bitcoin Mining Assets, Solana among others.

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<sup>3</sup> Sam Bankman-Fried Sentencing Memorandum, at 17

<sup>4</sup> Id at 18

<sup>5</sup> Id

<sup>6</sup> Sentencing memo at 9

<sup>7</sup> Id at 18

<sup>8</sup> <https://www.coindesk.com/policy/2022/11/10/ftx-violated-its-own-terms-of-service-and-misused-user-funds-lawyers-say/>

It is clear from Professor Easton testimony at Sam's trial. The same FTX bankruptcy estate and advisors, now want to claim all these assets as their own property and not the real victims, FTX original prepetition customers.

The terms of service are unambiguous and explicitly clear. Customers who held one bitcoin on FTX when they collapsed should get one bitcoin back from the estate. Instead, customers are unfairly characterised as unsecured creditors by the estate, meaning they will receive \$16,871 for each bitcoin they held on FTX, which was the price as of November 11, 2022. Considering that bitcoin is currently trading at \$69,446, customers are owed the difference too of \$52,574. Ethereum is currently at \$3,946 not \$1,258 price as of November 11, 2022. The same dynamic is true for nearly all the crypto-currencies customers held on FTX – their prices have gone up substantially over the past year.

Asset	Petition Price	Current Price*	Difference	Difference (%)
Bitcoin (BTC)	\$16,871.63	\$69,446	\$52,574.37	312%
Ethereum (ETH)	\$1,258.84	\$3,946.89	\$2,688.05	214%
Solana (SOL)	\$16.24711	\$147.29	\$131.043	806%
FTX (FTT)	\$0	\$2.24	\$2.24	Infinity

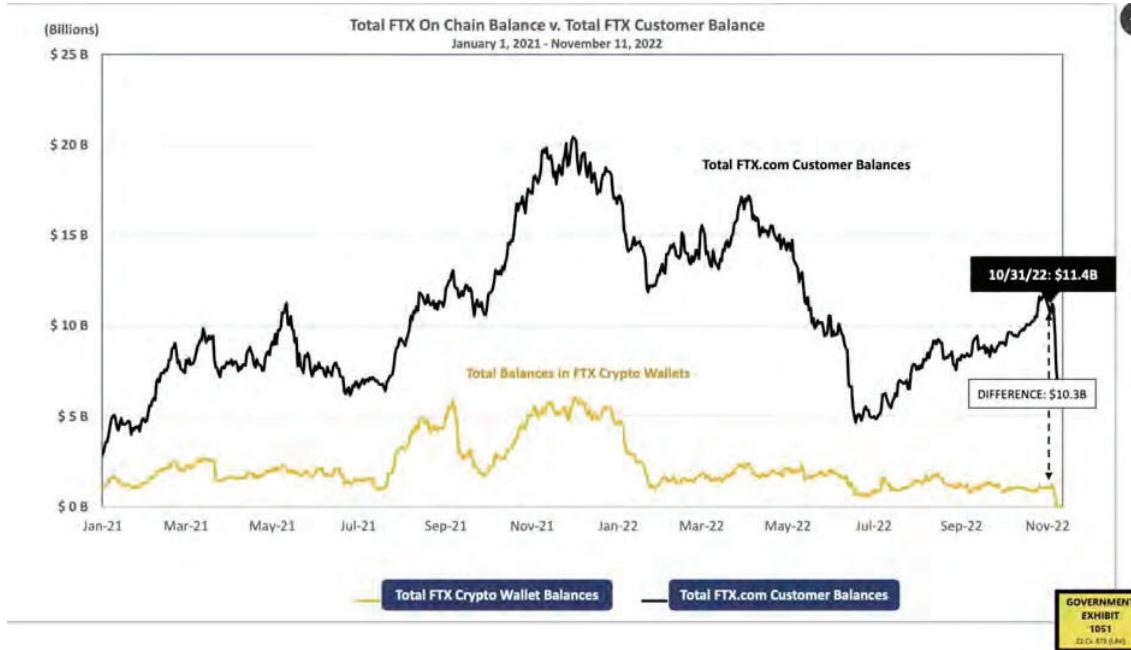
\*March 10 2024

Customers are not unsecured creditors. FTX was a custodian, that held our crypto currencies in trust. Customers have been defrauded by Sam Bankman-Fried, his aiders and abettors and the FTX estate, of our property – crypto currency and fiat deposits. The same fraudulent entity, FTX, is advised by the same lawyers, that originally defrauded and facilitated the money laundering of stolen FTX customers property prepetition, sold our crypto currency at high prices such as \$69,000 in November 2021 and want to pay back FTX customers valuing our crypto at the lowest price possible as of November 11, 2022.

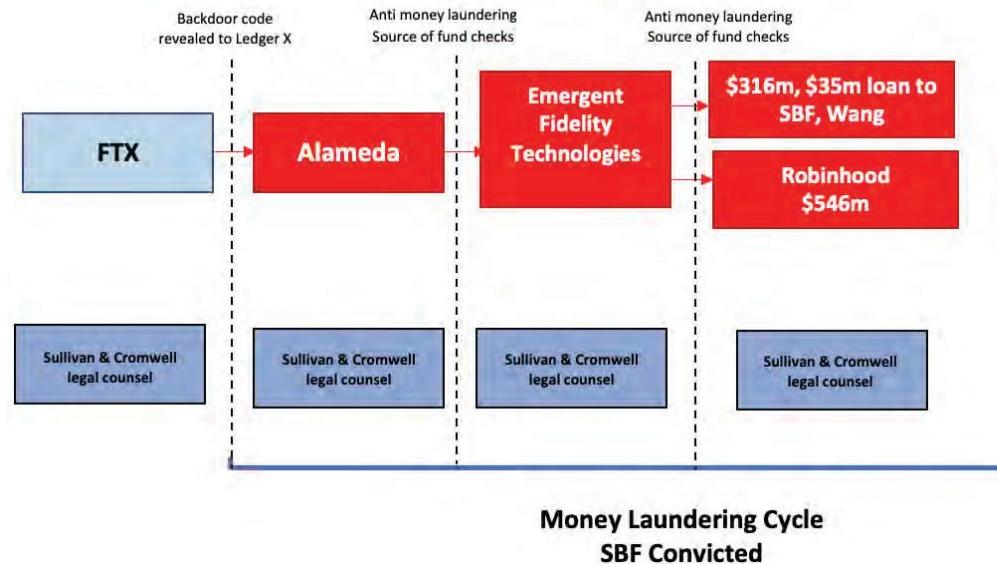
Crypto currencies have significantly risen, but so have 95% of assets globally as inflation has exceeded 10% pa. Food prices are higher with Eggs are up 2x to 3x higher, Milk 60%+ higher, cost of education, cost of housing all up significantly.

Just like a house, you cannot steal someone's house, sell it for a profit and pay back what it was worth over two years ago and pocketing the profit. The house should be returned or at least the equivalent value. Unfortunately, this is exactly what the FTX bankruptcy estate advised by Sullivan and Cromwell, the same law firm that advised Sam is proposing to do.

As the Government Exhibit shows, this is what has occurred, as Nov-21, when Bitcoin was last at \$69,000, Sam with the help of his fraud aiders and abettors such as lawyers, accountants, banks sold FTX customers' crypto currency that wasn't his to sell for a huge windfall (\$15bn above FTX customer balances).



This money was laundered into various assets such as FTX venture capital portfolio, paying for celebrity promoters and purchasing real estate, among other things.



Furthermore, thousands of customers will suffer losses (\$420m) as the bankruptcy estate has said FTT is akin to equity interest, despite the buyers of FTT were never told they were

purchasing equity in FTX and had no voting rights or ownership stake in FTX. FTT still has a market capitalization.

### Claim process

Many creditors have rightly found the bankruptcy and claims process baffling and difficult to navigate, there is little to no official support from the estate itself, and this may result in people further losing money. Filing a claim required providing documents which creditors do not necessarily have access to now.

FTX provided no official support to customers filing a claim that wrongly characterised FTX customers as unsecured creditors. FTX customers are not unsecured creditors, but our crypto currencies and fiat is held in constructive trust.

I personally took it upon myself to assist FTX customers through the labyrinthine claims process to ensure the maximum amount of FTX customers claimed timely.



**Governor**  
@BraveGovernor

Neither [@FTX\\_Official](#) management nor  
[@FTX\\_Committee](#) team inform ftx users like  
[@sunil\\_trades](#), god damn you, may the  
salaries you receive from us come back to you  
as poison

#FTX [@FTX\\_Official](#) [@FTX\\_Committee](#)  
#FTXreboot

 **Sunil (FTX 2.0 Champion)**  @sunil\_t... · 3d

FTX Claims portal Update

Step 3: Begin KYC Process can be done again  
allowing for creditors to upload the additional  
documents required to pass KYC

Please wait for email confirmation for those with  
KYC on Hold/Processing

Dear Customer,

Thank you for submitting your KYC information. We appreciate your cooperation. Some additional information/documentation is required to process your KYC submission.  
Please follow the instructions below:  
Access the Customer Portal [link] using your credentials  
Select the KYC section within the portal  
Click on "Begin KYC Process" to initiate the process  
Follow the instructions provided in the portal to provide the additional required information and documents  
We appreciate your understanding and cooperation in fulfilling these requirements. If you have any questions or need further clarification, our customer support team is ready to assist you.

KYC Support

Sam Bankman-Fried deliberately sent out false statements regarding the stability and solvency of the exchange in the days prior to the filing of chapter 11 via Twitter. Many creditors were deceived by his claims that “FTX is fine” and directly suffered losses due to this.

I held hope and was reassured like many FTX customers that their assets were secure and that there was no need to move them off of FTX. That said, Sam had stopped withdrawals from FTX on November, 7, 2022.

### **FTX Customers loss**

The week of November, 7, 2022 is mostly a blur for me and thousands of creditors, unable to function properly, hoping that Sam would allow withdrawals. I was bereft and unable to function, constantly checking for updates and was falsely reassured by tweets by Sam such as FTX never invests customer deposits, even in treasuries. When FTX filed for bankruptcy on November, 11 2022 it was obvious, Sam had stolen our crypto currency and deposits.

I couldn’t eat or sleep for days. I felt sick and severely depressed. Overnight years of hard work, money that I had saved for a family home, earmarked for my children’s education, was gone in an instant. The following week was the darkest time in my life, unable to think straight and struggling to find the strength to go on and every time I looked at my then 2-year old, I broke down, seeing his future education vanish overnight. It took me a significant amount of strength to recover from this tremendous shock and loss, but in the week following, I engaged my class action lawyers, Adam Moskowitz and David Boies, and took control of the situation. I found create comfort in creating and supporting a global community of FTX creditors/customers online. I knew if I felt like this, there were hundreds of thousands worldwide in a far worse situation, I had to stand up for what was right and fight for justice.

FTX customers have suffered greatly. I have been in a unique position of working with my class action lawyers, Adam Moskowitz and David Boies, to file and be named as a plaintiff in lawsuits against Sam’s fraud aiders and abettors that range from celebrity promoters to venture capital firms to law firms. As a result, I have been in touch with 10,000s of FTX customers and have heard and witnessed truly heart-breaking stories.

1000s of FTX customers have suffered from mental distress, depression, hospitalization and ill health following from Sam’s fraud.



Everyone lost more money than they can afford as our money was STOLEN, it was not lost on an investment going down. Most were attracted to FTX due to deliberate marketing campaign of it being the safest way to buy crypto currency, so by definition are the most risk averse crypto currency investors. As a result – disastrously- this led to some FTX victims committing suicide.



My jiju committed suicide because of the FTX scam.

Please only play with money you can afford to lose 🙏

4:45 PM · Mar 19, 2023 · 43.2K Views

43

17

206

8

↑

There were many suicides.



## Conclusion

FTX customers are not whole until all are paid back the value of the crypto currency and fiat holdings today not from 2 years ago (November 11, 2022). The FTX bankruptcy estate is claiming FTX customers will be made whole when they are in fact proposing to pay back 25% of my crypto holdings.

The digital assets I held on FTX represented money to pay for a family home, my children's education (I have 2 sons, one aged 4 years old and a 5 month old baby). Cost of housing, education, living costs – gas, electricity, food – 100% + higher than only November 2022. I had to make changes to my living arrangements, hold off buying a family home and make changes to the schools that I had thought I would send my children to. I cannot pay November 2022 prices for any bill.

FTX customer's digital assets were held in constructive trust on FTX. They are not and were never owned by Sam, the FTX estate and the fraud aiders and abettors, to sell and do as they wish. Now in bankruptcy, the same fraudulent FTX enterprise wants to give back 25% of my crypto holdings, while taking \$billions in fees, with any extra going to non FTX victims/customers – such as Alameda lenders and government fines. The FTX bankruptcy estate wants to pay government fines - which has resulted because of their own lies to the CFTC<sup>9</sup> <sup>10</sup> - by using FTX victim's crypto currency and fiat deposits. This is before making FTX victims whole at current prices. This is not dissimilar to what Sam did.

That said, suggestions that victims will recover all of their money is conjecture at this point, as not a single dime has been paid out of the bankruptcy estate thus far. I pray that victims will be made whole, but as we detail above, this is an unlikely outcome. No fraud of this magnitude can be executed without the help of fraud aiders and abettors that facilitated the money laundering process, helping to bypass anti-money laundering checks through creating intricate structures, signing off on audits, attesting to FTX's regulatory compliance, providing financial backing and promoting FTX to millions of customers globally. Just like Enron and

<sup>9</sup> <https://www.wsj.com/finance/ftx-employees-found-alamedas-secret-backdoor-months-before-collapse-7f983fcf>

<sup>10</sup> Exhibit J Case 1:22-cr-00673-LAK Document 407-39 with the Sam Bankman-Fried Sentencing Memo

Arthur Andersen 20 years before, Epstein and banks more recently, Sam enacted the help of third parties, to steal from the real innocent victims, the FTX original prepetition customers. Unfortunately, the FTX bankruptcy estate is proposing to scam FTX customers again while disseminating categorically false information that FTX customers are whole at November, 11 2022 prices.

I will continue to fight alongside my class action lawyers to seek in the MDL and hold to account all those who enabled Sam to perpetuate one of the largest financial frauds in U.S. history.

Thank you for taking the time to read my Victim Statement.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Sunil Dominic Kavuri". The signature is fluid and cursive, with a long horizontal line extending from the end of the main stroke.

Sunil Dominic Kavuri



Digital Surge Pty Ltd

ACN: 620 473 109  
ABN: 89 620 473 109

Level 18, 324 Queen Street  
Brisbane QLD 4000 Australia

11 March 2024

### **Victim Impact Statement: Impact of FTX Collapse on Digital Surge**

To the Honourable Court,

As co-founders of Digital Surge, we write this victim impact statement to convey the profound and devastating effects that the collapse of FTX has had on our company, our employees, our customers, and personally on us. Before the unforeseen demise of FTX, Digital Surge was a thriving and successful entity within the Australian cryptocurrency market, committed to providing secure and efficient trading services to our customers. However, the collapse of FTX precipitated a series of events that brought our company to the brink of disaster.

### **Impact on Digital Surge and Its Stakeholders**

The sudden and catastrophic failure of FTX forced us into voluntary administration, a decision that was not taken lightly. Our reliance on FTX, underpinned by their seemingly credible assurances and regulatory accreditations, including an Australian financial services license, led us into an untenable situation. The exposure to FTX resulted in us having to freeze customer accounts, effectively reducing their asset portfolios by 50%. This drastic measure impacted tens of thousands of our customers, many of whom are "Mum and Dad" investors. These individuals, who had entrusted their life savings and retirement funds to our platform, now face financial uncertainty. Some have had to abandon or significantly delay their retirement plans due to the losses incurred.

The repercussions extended beyond our customer base. To stabilize the company and formulate a recovery plan, we were compelled to terminate a significant portion of our dedicated staff. This was not only a loss of employment for these individuals but also a loss of a passionate and hard-working community that had been the backbone of Digital Surge.

### **Personal Impact**

On a personal level, the fallout from FTX's collapse has been equally harrowing. Both Dan (my co-founder) and I had to inject \$1.25 million of our personal funds in an effort to salvage the company and mitigate the losses faced by our customers. This period has been marked by significant stress and uncertainty, affecting our mental and physical health. The necessity of counselling services became evident as we navigated through continuous sleepless nights and extreme stress.

The consequences of these events have also extended to our physical premises and online presence. We lost our office space and witnessed a tangible decline in our reputation, as evidenced by negative reviews online. Disturbingly, the situation escalated to threats against our staff and ourselves, ranging from death threats to demands for incarceration, fuelled by anger and misunderstanding from the public and some of our customers. Such reactions underscore the profound disappointment and betrayal felt by those affected, albeit misdirected at our team who, like them, were victims of FTX's misleading assurances.

**Conclusion and Plea for Consideration**

In sharing this statement, we seek not only to highlight the extensive impact of FTX's collapse on Digital Surge but also to underscore our ongoing commitment to rectifying the situation to the best of our ability. Our efforts to compensate the affected customers are ongoing, and any assistance or compensation granted by this honourable court would significantly aid in these endeavours. We entrusted FTX based on their licensed status and assurances, a decision we profoundly regret in hindsight. It is our hope that this court recognizes the extent of the damage caused and assists in facilitating a path to recovery for all parties involved.

Sincerely,



Joshua Lehman  
Co-founder, Digital Surge

**March 8, 2024**

**The Honorable Judge Lewis A. Kaplan**

**Daniel Patrick Moynihan**  
**United States Courthouse**  
**500 Pearl St.**  
**New York, NY 10007-1312**

**Victim Statement re: FTX Disaster/Bankman-Fried**

Dear Judge Kaplan:

I am so appreciative of this opportunity to share with you how the FTX scheme and collapse has negatively affected my life.

I live in Brazil, where the Brazilian Real is only worth \$ 0.20. As such, investing in cryptocurrency and dollarized assets is a necessity to protect oneself from inflation. I decided to invest after reading and hearing all the hype from Sam Bankman-Fried and others, particularly on how it was the world's second largest cryptocurrency exchange at the time and that it was a safe investment for our money. I believed everything that Sam Bankman-Fried told us about how FTX worked and became more confident in my investment after so many celebrities, like Tom Brady, began endorsing it. I even saw it plastered on the Miami Heat arena. All of this made me decide to leave my money with FTX. FTX seemed like the right choice, but it was the worst decision I ever made.

I had done my research and decided to invest my money at FTX, the second largest broker in the world! I transferred my funds from Binance to FTX and then started depositing FIAT amounts directly into FTX. In search of a better financial condition, I invested almost 100% of everything I could save. I stopped buying a car or financing a house to invest as much as I could towards this goal. I deposited all my dreams in FTX. I believed I was getting great results with my investments, and I was prepared to buy BTC at low prices. The day FTX went bankrupt I had all my money invested in BTC; I managed to accumulate 3.8415 BTC. This represented everything I had managed to save, representing many years of hard work deposited into FTX.

To this day, I am shocked that, from one day to the next, FTX took everything I had. In just one moment, I had lost everything. I couldn't believe—and still cannot believe—that it was real. I spent many days in a state of shock, completely speechless. I still remember the despair I felt and the difficulty of telling my fiancée that we had lost everything.

Given today's price, my BTC would be worth \$263,718.00 approximately R \$1,318,590.00. This is enough to change the life of any Brazilian. Having to come to terms with the fact that they took away my opportunity to change my life is a burden I carry to this day.

I have now put my trust into the Moskowitz Law Firm with the hope that I will eventually be able to recoup some of the money that was lost. I have seen them work very hard to fight for me and all the other investors who have been cheated by Sam Bankman-Fried and his partners. I really hope he pays for the damage he caused to thousands of people! People who, like me, invested all their dreams in FTX.

Thank you so much for allowing us to show you how this scheme has, and will continue, to impact all our lives.

Sincerely,

Vitor Vozza

DocuSigned by:  
  
8C4CAA0C1BE34D5...  
3/13/2024

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To Whom It May Concern,

I am writing this victim impact statement to express the profound distress and financial hardship I have endured as a result of the actions of Sam Bankman-Fried (SBF) and the subsequent fallout of the FTX collapse. As an investor and victim in this case, I have been closely following the legal proceedings and the proposed plans by the FTX debtors to address the claims of individuals like myself who have suffered significant losses. I understand that the current proposal on the table considers repaying victims based on the "100% petition date" value of their investments. While this approach may seem equitable at first glance, it fails to account for the true extent of the harm inflicted upon investors due to the appreciating value of the stolen property. In my case, the value of my claim as of the petition date was \$508,046. However, as of today, 11 March 2024, the true value of my stolen assets has escalated to \$2,932,250. This stark disparity highlights the inadequacy of the proposed repayment plan and underscores the need for a reassessment that accurately reflects the current worth of the assets in question. It is important to emphasize that the actions leading to this financial debacle were not merely the result of market fluctuations or unforeseen circumstances but were a direct consequence of fraudulent and deceptive practices. The proposed "value destructive plan" not only undermines the gravity of the misconduct but also further victimizes those of us who have already endured substantial financial and emotional turmoil. The restitution of stolen assets should not be based on their historical value at the time of the theft but should reflect their current and true value. Anything less than this not only fails to make the victims whole but also sets a concerning precedent for future cases of financial fraud. It is imperative that the Department of Justice and the involved legal entities consider the full scope of the impact on victims and ensure that any restitution plan adequately compensates for the current value of the stolen assets. I urge you to reconsider the proposed repayment plan and to adopt a more equitable approach that truly reflects the losses experienced by the victims of this egregious breach of trust and financial malfeasance.

Sincerely,

Abdelmounaim "Abdou" Derraz  
CEO.  
Ingénieur de Télécom ParisTech\ Master M2MO (Ex DEA Laure Elie)  
[REDACTED] @gmail.com  
06 [REDACTED]

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I am Ahmet Karaküçük, an unfortunate victim of FTX.com from Turkey.

I am writing to you as an impacted customer of FTX.com to submit my victim impact statement, as requested by the Department of Justice of the USA. It is imperative to clarify that the "100% petition date" valuation does not reflect the current worth of my crypto + fiat properties lost at FTX.com's downfall, which has significantly appreciated in value.

These tokens, purchased over the 5 years with my hard-earned money through various exchanges, represent my effort to safeguard my finances against the backdrop of rampant inflation in my country. My minimal activity on FTX.com was conducted under the impression of its legitimacy, supported by the appearance of SBF held by official U.S settings & hearings.

Adding in to the losses -- the recent earthquake in Kahramanmaraş in the Feb. of 2023 has further devastated my financial stability, resulting in the loss of two inherited properties and the subsequent rental income they generated, which has significantly increased the fragility of my economic situation. However, I urge you to advocate for compensation based on the current market value of the tokens, rather than their USD value at an earlier petition date. The latter would not only be unjust but also fail to recognize the true extent of my losses.

Thank you for your attention to this matter.

PS At the end of this e-mail you can find details of my assets with their current and petition date values.

Sincerely,  
Ahmet Karaküçük  
FTX (Victim) Customer Code: [REDACTED]

Token	Amount	Petition Price	Curr. Price	Petition Value	Current Value (As of May 12th, 2024)
<b>CEL</b>	326.034	\$0.62	\$0.29	\$202.78	\$94.81
<b>DOGE</b>	9658.844	\$0.08	\$0.17	\$800.26	\$1,661.32
<b>LTC</b>	8.500	\$60.61	\$97.70	\$515.21	\$830.48
<b>LUNA2</b>	0.081	\$1.68	\$1.09	\$0.14	\$0.09
<b>LUNA2_LOCKED</b>	80.249	\$0.84	\$0.84	\$67.77	\$67.77
<b>LUNC</b>	17556.470	\$0.00	\$0.00	\$2.70	\$3.16

<b>TRX</b>	32362.636	\$0.06	\$0.13	\$1,799.71	\$4,268.63
<b>USD</b>	407.430	\$1.00	\$1.00	\$407.43	\$407.43
<b>XRP</b>	9463.933	\$0.38	\$0.70	\$3,560.70	\$6,615.29
<b>Grand Total</b>	-	-	-	<b>\$7,356.68</b>	<b>\$13,948.97</b>

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Greetings,

My name is André Fauth and I am an FTX Victim. I just would like to state the impacts this fraud has caused me.

As an investor I sent a lot of my funds from my portfolio to FTX in order to buy Bitcoin, dreaming and believing in a better future for me and my family. It is very painful and frustrating that all the dreams I had are now gone. Specifically because the law is now allowing FTX to pay us back not with our hard earned assets but with dollars at a ridiculous price. I lost everything...

I've been doing therapy since that happened trying to be optimistic but it has been very hard. I lost 20 years of my working life and I wanted to kill myself.

I just want that **FTX helps us to recover our assets** (not dollars) as much as possible and **SBF never leaves jail again** even if I recover everything because the pain and damage caused to us will never be repaired.

Thank you  
André Fauth

**FTX Victim Statement – Andrew Cowie**  
**March 8<sup>th</sup>, 2024**

Dear Sir/Madam,

I have been investing in crypto since 2017. Between 2017 and 2022 I had built up a significant portfolio of various coins and tokens. In 2022, my mother became sick, and I had to look after her. Sadly she passed away in August 2022.

During her illness, and for the weeks after her passing, I took my eye off the cryptocurrency market, and decided to store my crypto "somewhere safe". I had seen FTX advertised everywhere - in magazines, online publications, and even during the Superbowl. Specifically I was drawn to their offering of 8% interest on all holdings. As I felt FTX was "safe", because of the widespread coverage it had and because there T&C's specified any crypto held was "*not the property of, or shall or may be loaned to, FTX Trading*," and that the platform "*does not represent or treat Digital Assets in User's Accounts as belonging to FTX Trading*.", I thought that it would be safe, and prudent, to store my coins there. It wasn't doing anything, and if I could earn 8% interest during the time I wasn't doing anything with it, I thought it was a sensible thing to do.

I dipped my head back into the market in early November 2022, literally a day or so after the FTX collapse had started. I saw some worrying messages online about the safety of crypto stored on the platform - and immediately went to try and withdraw a small portion, to see if it would ever arrive at my personal wallet. Of course, it did not. And my crypto, which I had been saving, and storing to hopefully build a better long-term future for myself and my family, was gone.

At the time of the collapse my holdings on FTX was worth around \$30,000. In todays prices, that figure is north of \$115,000. This of course is devastating, for me, and my family. My crypto has been stolen from me by Sam Bankman-Fried and his cohorts. And to make matters worse, the bankruptcy case seems to be littered with wrong-doing. Of particular note, is the valuation of my holding according to the liquidators. It is being priced at petition date. The difference between that and what my stolen property is worth now, is astonishing. And devastating. My mental health has been severely affected by the whole situation.

I would like to appeal to Judge Kaplan, and any other parties involved to take note of my story, and of others like me, and to do what they can to make victims like myself not just whole at petition date valuations, but whole at today's prices.

In addition to the lost crypto, as mentioned, it has severely affected my health. If it is at all possible, monetary compensation for this awful experience should be provided by the debtors, in addition to making us "whole" in terms of our lost property. Several

Bitcoin and Ethereum was stolen from me. I want that property back. And if it can't be returned in crypto-form, I would like to be awarded enough fiat currency, so that I can buy back the crypto that was stolen. To do that, using petition date pricing will not work. It needs to be much closer to today's prices, for this to be a fair and valid conclusion to this incredibly distressing situation.

Thankyou for reading and addressing my letter.

Kind regards,



Andrew Cowie

The Honorable Judge Lewis A. Kaplan

Daniel Patrick Moynihan



## FTX Collapse - Victim Impact Statement

March 11, 2024

Dear Judge Kaplan, ,

Thank you for the opportunity to make a statement in this matter.

I was a retail customer/investor of FTX and when it collapsed, I lost nearly all of the funds (in the six figures) I had invested on this platform. I was unable to withdraw most of my funds as FTX stopped withdrawals suddenly on that fateful day.

The exchange and its management, as well as the many promoters created an image of solidity and safety, not least through all the affiliations and collaborations with the VC community, the rest of the crypto space, and many sports channels. FTX appeared to be perfectly legit and trustworthy. Few would have known what was brewing behind the scenes.

I had much of my personal savings as well as my daughters' college money on FTX when it collapsed. I underestimated the risk I was taking leaving the funds on the exchange, I understand that now, and that experience has certainly taught me a lesson. But what happened appears to have been fraud and deceit, and I am one of the many who were severely harmed, financially, mentally and psychologically. My family suffered, as the anxiety and stress permeated our lives for many months after the collapse.

I heard that retail clients like myself may be reimbursed in full, and I would certainly be very relieved if that were made possible.

May I offer 2 thoughts in closing:

1. Retail clients / investors like myself have the most to lose, as hard earned money is lost, and the loss impacts them perhaps more directly and severely than other classes of FTX debtors. Please do all you can to ensure that retail clients are covered before FTX's lenders and institutional clients.

2. FTX defaulted at a time when the market was in turmoil, when many assets had lost a lot of value. The portfolios of many FTX clients were underwater, the cost basis of the funds held there therefore higher than their value at time of FTX default. Even if we are covered in full for the value of our accounts at the time of FTX default, we are still at a significant loss because our portfolios were in the red, and we will not be able to recover that loss by being able to benefit from the appreciation of those assets' values since then. As I understand it, any payout from FTX will be in fiat currency not in the original assets held by investors. I would therefore be grateful if you could consider this fact, and may it bolster the first point above, underscoring the importance of paying back retail customers first, and in full, and ideally with the same digital assets that were frozen in their accounts when FTX shut down.

Thank you for your help and assistance to bring justice to this matter. I feel that the process has been expeditious and I look forward, like so many people in similar situations, to closure and restitution.

Kind regards,

A handwritten signature in blue ink, appearing to read "Benjamin Kaubisch".

Benjamin Kaubisch

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Hello,

My name is Charlie Lewer. I am a 24 year old from Perth, Western Australia.

I grew up with a saving and investing mindset and could not wait to turn 18 so I could enter the markets. I spent approximately 6 years working two jobs from the age of 16 so I could save as much money as possible to allow me to invest in financial markets, be it index funds, shares and cryptocurrency. I studied every day and made it my mission to be successful with investing.

I had primarily used Binance and BTC Markets (Local AUS broker) for many years however BTC markets did not offer the same range of products as FTX and the deposit & withdrawal process was slower.

A lot of the online crypto community was using FTX, celebrities were using FTX.... If you weren't on FTX then you weren't in the right place. Sam was the poster boy in the media, the young, smart, billionaire that is taking over the crypto world. Meeting with global politicians, sponsoring arenas, Formula 1 teams... he was the absolute 'king' of crypto and garnered everyone's trust.

I had saved all of my money for many years and had built solid investments in projects like Render (RNDR) and Solana (SOL). These were two long term investments that I didn't plan to sell for ~5 years or more. This was about a \$90,000 AUD investment for me at the time. The value of these investments at petition date was \$19,000 USD. At today's date, Monday the 11th of March 2024, my RNDR and SOL holdings would be worth \$385,000 USD. As a 24 year old trying to make something of my life in this world, this would have been a life changing sum of money for me and in Australian Dollars would be worth approximately \$580,000 AUD.

All of my hard work as a teenager and young adult, working two jobs and doing everything I could to save, research and invest in solid projects that I thought would do well in the long term... all wasted because Sam, Caroline and FTX decided to **steal** customers funds and use them for their own benefit, personal expenditure, personal gambling/leveraged trading with no risk management and for donating to favoured political organisations.

I did not gamble with leverage trading or random meme/scam coins, I researched quality projects and made long term investments to try and change my life. This would have paid off very well for me, had Sam not stolen my investments from me.

I trusted Sam and FTX to do the right thing, and they let me and hundreds of thousands of other people down in the worst way possible. I know of people that have taken their life due to the impact this had on them, I would request that the consideration for those even more unfortunate people be given during the sentencing process. Not just the money that was stolen, but the lives that were lost as collateral damage.

I understand that I am still young and can continue working to build a future for myself, and there are people that were hurt significantly more than myself. However, Sam and FTX caused considerable pain to myself, and my family who also had significant sums of money on the FTX platform. This event has set us all back by a number of years.

I hope that Sam receives the adequate punishment for the pain he has caused to millions of people. And I hope that the correct procedures are followed in the process of returning any funds to customers, with all funds going towards paying customers the true value of the assets that were stolen, not the value of the assets at the absolute bottom of the market.

Thank you.

Regards,

Charlie Lewer  
0405 [REDACTED]  
Perth, Western Australia

Dear Department of Justice,

I am a victim of the FTX collapse and appreciate the ongoing attempt to bring justice against those involved in the massive fraud at FTX.

I hope that we, the victims of the FTX collapse, can be made whole as much as possible and that the recovery process wouldn't be an opportunity for others to profit off the victims too. It is fair that those involved in recovering assets from FTX should be compensated for their time and effort, but it should not be exploited at the expense of the victims.

Justice is when the rich and powerful are prevented from abusing and exploiting the weak and poor, be it through fraud or extravagant fees. Already the victims are suffering from FTX fraud which somehow managed to slip past justice despite the many meetings regulators and government officials had with FTX. It will hardly be justice if those involved in the recovery of assets also profit much off the victims.

Thank you for reading this email. Much appreciated for your time.

Chin Tok Kong

11 March 2024

To Whom It May Concern,

I am writing this victim impact statement to express the profound distress and financial hardship I have endured as a result of the actions of Sam Bankman-Fried (SBF) and the subsequent fallout of the FTX collapse. As an investor and victim in this case, I have been closely following the legal proceedings and the proposed plans by the FTX debtors to address the claims of individuals like myself who have suffered significant losses.

I understand that the current proposal on the table considers repaying victims based on the "100% petition date" value of their investments. While this approach may seem equitable at first glance, it fails to account for the true extent of the harm inflicted upon investors due to the appreciating value of the stolen property. In my case, the value of my claim as of the petition date was \$18,464.69. However, as of today, 11 March 2024, the true value of my stolen assets has escalated to \$47,942.21. This stark disparity highlights the inadequacy of the proposed repayment plan and underscores the need for a reassessment that accurately reflects the current worth of the assets in question.

It is important to emphasize that the actions leading to this financial debacle were not merely the result of market fluctuations or unforeseen circumstances but were a direct consequence of fraudulent and deceptive practices. The proposed "value destructive plan" not only undermines the gravity of the misconduct but also further victimizes those of us who have already endured substantial financial and emotional turmoil.

The restitution of stolen assets should not be based on their historical value at the time of the theft but should reflect their current and true value. Anything less than this not only fails to make the victims whole but also sets a concerning precedent for future cases of financial fraud. It is imperative that the Department of Justice and the involved legal entities consider the full scope of the impact on victims and ensure that any restitution plan adequately compensates for the current value of the stolen assets.

I urge you to reconsider the proposed repayment plan and to adopt a more equitable approach that truly reflects the losses experienced by the victims of this egregious breach of trust and financial malfeasance.

Yours Sincerely,

A handwritten signature consisting of a stylized 'J' and 'L' shape.

Chua Sook Er

Dear

In November 2023, the biggest nightmare of my life began. When I found out that FTX was going to block users' accounts, that no one could move their cryptocurrencies anymore, I went into despair, I tried in every way to redeem my money, but to no avail.

When I say that I went into despair, it's not only because I lost everything I had there, but because what I had on FTX was money that I borrowed from my mother, I used all my savings and unfortunately I still contracted R\$ 40,000.00 in personal loan with the Bank, I also used savings that should have been used for my daughters' education, all this to buy more cryptocurrencies, because I knew that the market was very promising and with the return From their appreciation, it would be enough to return the money I borrowed from my family members and pay off the financial loan. However, with the bankruptcy of FTX, I could not pay anyone else and would still be in debt for many years, and that is what happened, I became very indebted, as I no longer had financial reserves, so I had to take out more financial loans to be able to honor my commitments.

I spent many sleepless nights, it was necessary to use psychotropic medications to control my anxiety and do psychological counseling, which I still do today.

I am still in debt and will still be for many years, I learned about the possibility of receiving my cryptocurrencies, however, with the value of the bankruptcy date, which is on today's date, 4.5 times less than it was in 2022.

I would love to get all my money back, but I don't know if it will be possible.

At least I would like to see those responsible for and/or involved in the bankruptcy of FTX be punished, and that they pay for all the inconvenience and suffering caused in the lives of so many other people.

Grateful

Cristiano Eric Barbosa  
Brazil – 03/13/2024.



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**To the Court,**

I write this victim impact statement as one of the many individuals affected by the collapse of FTX, orchestrated by Sam Bankman-Fried (SBF). The repercussions of this financial fraud extend far beyond mere monetary losses. As a victim of this financial fraud, I urge the court to consider the following points during sentencing:

**1. Emotional Distress and Betrayal:**

- The collapse of FTX was not just a financial setback; it was a betrayal of trust. As a victim, I experienced profound emotional distress. The sleepless nights, anxiety, and uncertainty about my financial future have taken a toll on my well-being.
- SBF's actions shattered the belief that our investments were secure. We placed our trust in FTX, only to discover that it was a house of cards built on deception.

**2. Bankruptcy Process and False Assurances:**

- The bankruptcy process has been agonizingly slow. While the media wrongly portrays victims as being made whole, the reality is starkly different. The term "100% petition date" is misleading; it does not reflect the true state of affairs.
- FTX's bankruptcy proceedings have left victims in limbo. The promise of restitution remains unfulfilled, and the process itself has exacerbated our suffering. We are caught in a bureaucratic maze, unable to access our rightful assets.

**3. The Stolen Property and Lost Opportunities:**

- I once possessed **four bitcoins**, a substantial amount that represented years of hard work, sacrifice, and financial planning. These bitcoins were not mere tokens; they symbolized my aspirations and dreams.
- SBF's fraudulent actions stole these opportunities from me once. Now, the bankruptcy process compounds the theft. The illusion of making victims whole is perpetuated, while the reality is that our assets remain inaccessible.

**4. Genesis vs. FTX: A Tale of Contrasts:**

- Genesis, another crypto platform, chose to reimburse its clients with crypto assets. This proactive approach demonstrates empathy and responsibility.
- In contrast, FTX's lack of action speaks volumes. The discrepancy between these two platforms highlights FTX's negligence and disregard for its customers.

**5. Sentencing Considerations:**

- SBF's sentence should reflect the gravity of his actions. The court must recognize the emotional toll on victims, the broken promises, and the prolonged suffering.
- Restitution cannot be reduced to market dynamics alone. It must encompass the intangible losses we've endured—the shattered trust, the stolen dreams, and the prolonged agony.

To conclude, I implore the court to consider the human cost of SBF's actions. Justice demands more

than token gestures; it requires accountability and empathy.

The victims of FTX deserve acknowledgment, restitution, and a clear message that financial crimes will not go unpunished.

Thank you for your attention to this matter.

Sincerely,

Damien Cabon

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Damien Cabon

[REDACTED]  
[REDACTED]  
Canada

March 11, 2024

**To The Honorable Judge Lewis A. Kaplan**

United States District Court  
Southern District of New York  
Thurgood Marshall United States Courthouse  
40 Foley Square  
New York, NY 10007

**Subject: Concerns Over S&C's Role in FTX's Collapse and Bankruptcy Proceedings**

Dear Judge Kaplan,

I reach out to you amid the ongoing proceedings following the collapse of FTX, a platform I trusted with significant personal investments, including 4.15 bitcoins at the time of its bankruptcy declaration in November 2022. My letter seeks not only to voice the distress and financial harm I have endured but also to express profound concerns regarding the role of Sullivan & Cromwell LLP (S&C) in the events leading up to the collapse of FTX and the subsequent bankruptcy proceedings.

The involvement of S&C, given its close associations with FTX prior to its downfall, presents troubling questions about potential conflicts of interest and the firm's suitability to lead FTX through bankruptcy. S&C's intimate pre-collapse relationship with FTX raises concerns about its ability to impartially manage the bankruptcy process and faithfully represent the interests of defrauded investors like myself. This is particularly disconcerting given S&C's advisory role to FTX, which could position them as gatekeepers of information pivotal to understanding the breadth of mismanagement and the mishandling of investor funds.

Moreover, the commencement of a class action lawsuit against key FTX figures and associated entities underscores the gravity of the situation and the need for a transparent, conflict-free resolution process. This legal action seeks justice and restitution for the numerous investors affected by FTX's malpractices. As such, it is crucial that the bankruptcy proceedings are conducted under the guidance of parties devoid of any prior entanglements that might bias their decision-making or impede the full and fair compensation of FTX's victims.

In light of these concerns, I urge your consideration to ensure that the bankruptcy process is led by entities fully detached from the pre-collapse operations of FTX. It is imperative that the resolution of this case not only facilitates the equitable restitution to those harmed but also instills measures to prevent similar future collapses. Such steps are vital in restoring investor

confidence and upholding the integrity of any financial marketplace.

Your dedication to justice in these complex circumstances is greatly appreciated. I, along with many others affected by the FTX debacle, look forward to a resolution that aligns with the principles of fairness, transparency, and accountability.

Thank you for your attention to these pressing issues.

Sincerely,

Damien Cabon

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To whom it may concern,

In light of the recent developments surrounding the FTX collapse and the ongoing legal proceedings, it's crucial that we, as victims and affected parties, come together to ensure our voices are heard loud and clear. The proposed repayment plans do not adequately address the full extent of our losses, especially considering the significant appreciation in the value of the assets that were wrongfully taken from us.

For instance, my own claim valued at \$1333.88 on the petition date has now escalated to an astounding \$5780.98. Yet, the current proposals fall drastically short of reflecting this reality, offering a mere fraction of what is rightfully ours. This is not just about numbers on a page; it's about justice, fairness, and holding those responsible accountable for their actions. It's about making sure we are made whole, not just on paper, but in the true value of what was taken from us.

Please hold justice for us.

Adrian HAY

## VICTIM IMPACT STATEMENT LETTER

Hi, My name is Andrea Partesotti and I live in Castelnuovo Rangone close to Modena in Italy. I am a FTX creditor,

I have all my money blocked in the FTX exchange and I am struggling to live without them.

I cry all day long and I feel so desperate.

I have so little money to live and my family blames me all days about what I did.

I can not guarantee any future to my sons.

I am really desperate and I can't stand this situation any more.

Moreover the day before the crash I performed all my crypto wire to my Binance account.

So when the crash happened my bank wire was in progress from the day before.

Please help me to have back my crypto please.

I DO NOT WANT DOLLARS BUT THE CRYPTO ASSET I HAD Please.

I am an Italian and I do not know why I am included in the international client and not the European FTX group.

Please help me to have all my crypto....to save my future and the future of my sons please.

I do not know what I am going to do if I will not have them.

Hope to hear from you very soon.

All the best

Andrea Partesotti

I, Guillermo Díaz Sánchez, (DNI [REDACTED] Spain) stand before this court to recount the devastating impact that the collapse of the Exchange and the subsequent management by FTX have had on my life, both financially and emotionally.

At a pivotal moment, finding myself amidst trading operations within the FTX platform, I was dramatically affected by the unexpected bankruptcy of the Exchange. At that critical time, my account reflected a balance of \$160,000, a sum of money that represented not just my investment capital but also the hope of a secure financial future.

Faced with the first signs of an impending crisis, I attempted to act with the utmost diligence, trying to withdraw my funds and protect my interests. However, every rescue attempt was futilely denied, leaving me in a state of helplessness and despair. The situation became more dire as I realized I was trapped in what seemed to be a well-orchestrated scam, with no apparent means to recover my investment.

In a desperate effort to mitigate my losses, I diversified my resources into other crypto assets, a decision driven by panic and the need to protect what little remained of my investment. Unfortunately, this act of desperation only resulted in a greater loss, leaving me with just \$8,000 of the original \$160,000.

This financial catastrophe has been a devastating blow to my economic stability and emotional well-being. I have not only lost a significant sum of money that took years to accumulate, but I have also been victim to a crisis that has shaken my confidence in digital financial institutions and my ability to protect and manage my assets.

Therefore, I respectfully request this court to consider my situation and the devastating impact this event has had on my life. I implore that at least a portion of the lost money be restored to me and that the legitimacy of my financial position before this catastrophic loss be formally recognized. It is crucial to establish a precedent that protects investors like me from future acts of negligence and fraud in the cryptocurrency space.

I appreciate the court's time and consideration on this crucial matter and eagerly await a just and favorable resolution. -

A handwritten signature in black ink, appearing to read "Guillermo Díaz Sánchez". The signature is fluid and cursive, with a large, stylized initial 'G' and 'D'. It is written over a few horizontal lines.

Dear Judge Kaplan,

I am writing to you to express the profound and lasting harm that Sam Bankman-Fried's criminal actions have inflicted upon me. As a customer of FTX, I placed my trust in the platform and its leadership, only to find myself betrayed and left in financial ruin when the company collapsed.

The emotional toll of all this has been immeasurable. Since the bankruptcy proceedings began, I have been trapped in a constant state of anxiety and depression. The uncertainty surrounding the recovery of my funds has left me feeling hopeless, as I watch the legal proceedings unfold with no clear end in sight.

It has forced me to make difficult decisions and sacrifices in my personal life, which in return has had a terrible impact on my relationships, my health and overall well-being. The harm caused by his crimes goes far beyond mere financial losses; it has shattered the lives of countless individuals like myself.

Despite the claims made by SBF's lawyers that victims will be made whole, the reality is far different. Like many others, I held cryptocurrency on the exchange, and the reorganization plan put forth in the bankruptcy court is not designed to adequately compensate victims. If anything, it goes against such an outcome.

According to the bankruptcy lawyers, my property was valued at \$37,600 as of the petition date, but the actual current value stands at \$164,000. It is extremely upsetting to see the narrative suggesting that creditors will be taken care of, when in fact the opposite is true. Supposedly, once we are made "100% whole," the rest of the recovered funds will go to non-customers, and considering these additional funds will be in the billions, they should rightfully go to us. I feel like I am being defrauded a second time.

I implore the court to consider the full extent of the damage caused by Sam Bankman-Fried's criminal behavior when determining his sentence. The victims of his actions deserve justice and accountability. We have suffered enough and our voices must be heard.

Thank you for your consideration.

Sincerely,

Rheece de Villiers

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Honorable Judge,

Victim Impact Statement  
FTX.com  
Case No. 22-11068

I am a victim of the bankruptcy case involving FTX.com (hereinafter referred to as FTX, currently undergoing Chapter 11 bankruptcy, Case No. 22-11068). This document is a statement regarding the impact I have received from this case, to express the significant losses and personal hardship I have endured as a former user and victim of FTX.com.

I had believed FTX to be a standard cryptocurrency investment platform. I invested approximately \$2,000 on FTX, which constituted my personal property. Upon learning of the platform's announcement of bankruptcy, I immediately attempted to withdraw my assets. Unfortunately, all of my withdrawal requests were unsuccessful. As a result, my current financial situation has become dire. The unexpected bankruptcy of FTX has completely undermined my sense of financial security and has had a severe negative impact on my life, causing me significant anxiety. I have been forced to replan my living expenses and cancel some planned expenditures to avoid a potential financial crisis. I've had to cut back on living costs and cancel non-essential plans to prevent further financial jeopardy.

I understand and accept the inherent volatility risks of the cryptocurrency market. However, Section 8.2.6 of FTX's Terms of Service explicitly guarantees that deposits are the property of the user, as excerpted below:

"Title to your Digital Assets shall at all times remain with you and shall not transfer to FTX Trading."

"None of the Digital Assets in your Account are the property of, or shall or may be loaned to, FTX Trading; FTX Trading does not represent or treat Digital Assets in User's Accounts as belonging to FTX Trading."

\*Since the FTX website is no longer accessible, the full text of the Terms of Service can be referenced in the Internet Archive's records:  
[https://web.archive.org/web/20221108192005/https://help.ftx.com/hc/article\\_attachments/9719619779348/FTX\\_Terms\\_of\\_Service.pdf](https://web.archive.org/web/20221108192005/https://help.ftx.com/hc/article_attachments/9719619779348/FTX_Terms_of_Service.pdf)

The assurances within the Terms of Service, combined with FTX's status as one of the leading cryptocurrency exchanges globally and its strong market position, formed the foundation of my confidence in entrusting my assets to the platform. I never anticipated that the platform would deviate from its service commitments and use customer assets without authorization.

As the court considers its judgment against Mr. Samuel Bankman-Fried, I earnestly request that the court take into account the extensive damages suffered by the many victims, damages that far exceed financial loss. These repercussions have infiltrated our daily lives, eroded our emotional well-being, and have had profound effects on our mental health. The trust we placed has been betrayed, and our existence and future have been overshadowed by this event. It is my sincere hope that through my statement, I can convey the full extent of this impact to you, providing the court with a genuine perspective of a victim for consideration in its ruling.

Thank you for allowing me the opportunity to share my experiences and for considering them in your verdict.

Sincerely,

Yue Cheng,

To whom it may concern,

I am a victim of Samuel Bankman-Fried (SBF) and the people that committed or enabled fraud at FTX and the associated companies. With regard to the option I had to send this letter, I opt to not use personal information. I can ensure you that this writing is valid and not made up. In case a verification is needed, reach back to this email address (REDACT THIS: which is solely used for the bankruptcy case of FTX and my claim in it). I lived and still live in Europe. I had been using SBF's platform FTX since 2020 for trading and investment activities and developed a steady income through it. One can say I became a professional trader on FTX. The strategies I used were decoupled from a bull market regime and I made significant profits from declining prices. I was living the life I always dreamed of, although COVID hit hard and I couldn't make full use of the financial freedom I obtained through my profession. I still managed to put aside enough time to spend with my family and to travel across Europe with my beloved ones in 2021. I was able to not look at prices whatsoever and spent up to \$10,000 per month. In January 2022 I was still near my all time high balance on FTX, even though I had also increased my spending. The fact that during 2021 I had unsuccessfully tried to hire people and to scale up my strategies was the only regret I had.

Due to a big change that came with a financial urgency of my family, I started to withdraw a majority of my balance from FTX around April 2022 and also used up everything I had put aside (more than 5x what I needed on a monthly basis). These sums are still largely tied in illiquid assets. I had left the sum of about \$20,000 on FTX (a fraction of my all time high balance) to maintain my recurring expenses. Then the events of November 2022 hit hard and had a dramatic impact on the life of me, my family and my beloved ones. The \$20,000 I had at FTX, with which I bought bitcoin at a price of around \$15,780, were frozen over night. Of the sudden I had to liquidate all my personal assets elsewhere, which were intended to be long term investments (that de facto became my new reserves, since I used my real reserves on the urgency that occurred around April 2022), at a loss in order to be able to fulfill my financial duties. Nevertheless, by April 2023 I was in 5,000 € debt, I put financial strain on my family, cut on holidays and all expenses one can imagine (I even cut on meals and was almost solely living on bread, cheese and ham with ketchup) and was working up to 100h per week trying to maintain my profitability as a trader. I had cut my monthly expenses by half (the minimum monthly expenses of 2021, not the all time high expense of \$10,000) and looked out for a plan B I could act on in case I was left with nothing. From the previous investments that I liquidated I tried to maintain my trading activity taking unprecedented risks with about \$3,000. In parallel I was desperately trying to optimize my strategies to maybe be able to make up for the ridicule risk I was taking, that I knew at some point could mean total liquidation of what I had left. I self-taught myself programming and started building my own

software as a stepping stone to optimize my strategies.

I managed to make ends meet until August 2023. As I predicted, the huge risk I was taking produced losses long term and I was left with 800€ in my trading account. I couldn't believe it: Bitcoin was at around \$29,000 and I had a claim of a bit over 1 bitcoin and some other cryptocurrencies, but I was in a severe and desperate financial situation. My plan B was including a separation of me and my beloved ones, since I had to go back to my previous profession in another European country from before becoming a professional trader in 2021. I didn't see any other solution, so I packed my necessities and moved to another country to start a job in September 2023.

Still, here I am now as of 9th March 2024. I couldn't even bring my computer, which impacts my ability to further work on building my own software to optimize my strategies. I am working on my tablet and on an additional monitor I bought here and I don't know how to move back once I finish my job here in a few months, as intended. I haven't traded since August 2023. I set myself a rigorous savings target each month in order to build up a new balance that I can then trade with. To accomplish that I am still cutting on expenses. I unsubscribed from Spotify, Amazon prime and the equivalent of a 401k just to name a few things. After a few months I realized that I can't afford the warm meals that are offered at my workplace. Instead I am using an app where restaurants offer what's left for cheap at the end of the day. I use that to come by warm meals cheap, I even try to use my own bowl at the place where they offer buffet (which they don't always allow). This way I can pack more and use the additional food to stretch it for two days. Other than that I am still on bread, cheese and ham (only difference I use mayonnaise instead of ketchup now). My car needs to go through technical inspection and I don't know if I can pay the bill. I am budgeting like hell and often have to reject friend's offers to go out and eat, visit a city and the like. I live near my workplace, which is 360 km away from a small part of my family and 2,000 km away from my most beloved one and the rest of my family. I visited my most beloved one in October and they came here in November and December. Next time will be April and we are looking very much forward to that. I still work a lot. Every day when I finish work I try to write code to further progress my software. On weekends I am happy if I can put all the time into my software, but right now I've already been sitting at this very letter for more than 2 hours.

This week we had a workshop with the company's psychologist at work to prevent burnout at so forth. I really thought about bringing my own thoughts into the workshop: "Damn, I could've been at a totally different stage in my life right now, but unfortunately I got the short end of variance with SBF's crimes." I chose not to derail the workshop, but I think this letter should manifest what I think. Without SBF's crimes,

-he would ride at the top of the industry.

-I wouldn't have to struggle with the constant hurdle of being forced to actively run behind my own money at FTX.

-I wouldn't have had to go through law English numerous times, but at least two times just to understand whether I have to file a claim.

-I wouldn't have had to go through a unbelievably unorganized case documentation system to find out my duties to sustain by filing my claim.

-I wouldn't write this in the hope that a just outcome for victims, not investment companies in FTX affiliated companies (like Alameda), will be achieved.

-I wouldn't be expecting to lose 30% to the US tax authority because I am living in Europe.

-I wouldn't have to be expecting to maybe get ~\$7,000 in Q4 this year.

-I wouldn't be expecting to get another ~\$7,000 at who knows what point in time.

-I wouldn't have to wonder what happens with my ~\$6,000 that the US keeps from me for tax purposes.

-I wouldn't have such tremendous opportunity costs, that just grow over the years without any control whatsoever.

-I wouldn't have bought bitcoin at ~\$15,780 and expecting it to be valued at about \$16,200 while the actual market price is more than \$68,000.

-I would happily lean back in my chair, enjoying the face value appreciation of my bitcoin during this bull market.

-I would trade my strategies with my bitcoin as collateral.

-I would engage in founding my own trading company.

-I would potentially be married.

-I would potentially be having my own kids right now.

-I would potentially be owning and living in my own house right now.

-my family could rely on me and my financial stability.

-my family could benefit from my free time.

-society potentially could benefit from my donations.

-society potentially could benefit from my personal political, educational and/or administrative engagement.

But instead I just finished writing the impact of SBF's actions.

Sincerely,  
with utmost respect,  
A victim

PS: I would like to speak at the sentencing, but wouldn't be able to afford the cost associated with the journey.

PPS: In case that is taken care of, please forward to the U.S. Attorney's Office Victim Witness Coordinator, or guide me how to contact.

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I'm sure many people have been impacted on a larger scale than I have been, but my being on disability and planning to get married has been greatly affected. I had to delay my nuptials for over 6 months and nearly lost my fiance due to the delay. She thought I didn't love her the way she loved me.

I had to delay the wedding until I could build up enough money for my flight to the Philippines. And of course I needed other money for the wedding as well. Being disabled I have had to eliminate some medications too. I'm not a wealthy man but I manage to get by. For someone like Mr Freid to not even think about his investors the way he has done would leave me to hope that the justice system would ignore his pleas for leniency. He should not be worried about, just like he didn't care about us. Even white collar crime can be horrific just as this was for me.

I didn't fall in love until my late 50s. So I don't know how much time I will have with my wife and Mr Freid has even taken some of that from us.

Sincerely,  
Daniel Kidwell